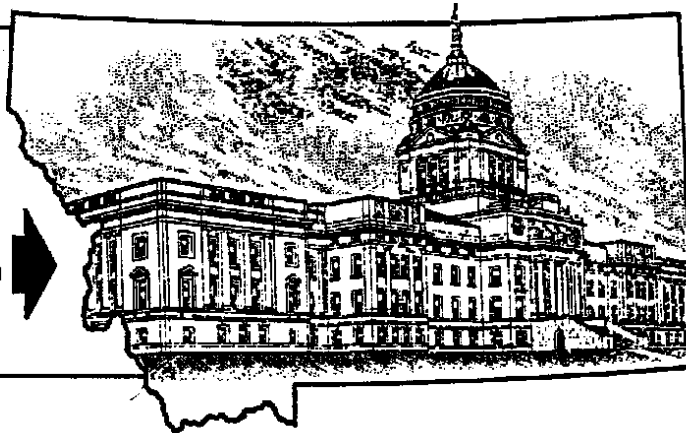


**Montana Public Employee  
Retirement Administration**



**Defined Benefit Plan Annual Statements will  
help you plan your retirement**

You will receive your personal “Defined Benefit Plan Annual Statement” from the MPERA by the end of August. This statement summarizes your individual retirement account and reflects your account balance as of June 30, 2000. It will be a valuable tool for your retirement planning. This Special Edition of *Directions* explains the new features of the revised statement and provides an explanation of the retirement calculations.

Personal statements will be sent to members of the following retirement systems administered by the MPERA: Public Employees’ (PERS); Municipal Police Officers’ (MPORS); Game Wardens’ and Peace Officers’ (GWPORS); Sheriffs’ (SRS); Judges’ (JRS); Highway Patrol Officers’ (HPORS); and Firefighters’ Unified (FURS).

**Personal information which will be on your statement is listed below. Review this information when you receive your statement and make any changes or corrections in writing to the MPERA.**

▶ **Check your mailing address.**

The MPERA will mail your statement to your home address (if available) in a pressure sealed mailer for privacy. If you receive your statement through your payroll clerk or the address on the statement is not correct, please notify your payroll clerk and the MPERA in writing of your correct mailing address. (Your statement will provide information on making an address change.) We are updating our database to include home addresses to begin mailing personal statements, newsletters, and other information directly to all members.

▶ **Be sure your beneficiaries are correct.**

The primary and contingent beneficiaries named on your membership card will be listed on your statement. Be sure to update your beneficiaries as needed. If no beneficiaries are listed, it may mean we have not received a membership card from you or you have not designated any beneficiaries. You may change or add beneficiaries only by completing a new membership card. \*

▶ **Your birth date and social security number are important.**

At the top of your statement, your name, birth date, and social security number are listed. If any of this information is incorrect, notify the MPERA in writing. If your birthdate appears as “00/00/00,” we do not have your membership card on file. The MPERA will not pay a benefit or refund unless you have a membership card on file with us. \*

\* **Membership cards are available from your payroll clerk.**

**See the following page for a sample statement and explanation of retirement account and benefit information.**

The example of a *Defined Benefit Plan Annual Statement* shown here is for the PERS. Each retirement system has different age and service requirements for a member to receive retirement benefits. Here is a preview of the retirement account and benefit information provided in your statement.

**1 Initial Monthly Benefit**  
\* If you terminated on or before June 30, 2000, this is what your monthly benefit will be if you wait until normal retirement age to receive your benefit. This assumes you have completed your service purchase contracts at termination.

**2 Lifetime Benefit Value**  
\* If you terminated on or before June 30, 2000; wait until normal retirement age to receive your benefit; live an average number of years; and complete your service purchase contracts at termination, this is the estimated total retirement benefits you will receive in the course of your lifetime.

**3 Monthly Benefit and Lifetime Benefit**  
\* If you continue to contribute and complete your current service purchase contracts, the estimate of your monthly benefit and lifetime benefit are shown for selected ages. The selected ages (or in some systems selected years of service) are when you will be eligible to receive your retirement benefit.


\* The estimated amount for the initial monthly benefit and lifetime benefit is based on the highest retirement benefit option available in each retirement system. See your member handbook for information on the options and formula for calculating your service retirement benefit. The future estimated contributions, lifetime benefit value, and monthly benefit assume an annual 1.5% salary increase and an annual 1.5% benefit adjustment.

**4 Contributions Plus Interest**  
This is your total account balance (contributions plus interest) as of June 30, 2000. When you terminate, instead of a lifetime retirement benefit, you could receive this amount as a refund. A defined benefit plan provides you with a lifetime benefit. Normally, your potential total lifetime benefit is much greater than your account balance.

**5 Contributions**  
The amount of your regular contributions and the amount you have paid for service purchase contracts as of June 30, 2000 are stated in the first column. These totals do not include interest. The estimated amount of your total future contributions is also included in the column next to the selected ages. Your statement provides you with a side by side comparison of the amount you have contributed and the total potential value of your lifetime retirement.

**6 Service Credit**  
Your total years of service credit includes your credit for the years you have contributed to the retirement system, completed service purchases, and service you are in the process of purchasing. Any one for five purchases are not included in this total and are listed separately. The service credit on your statement is based on payroll information submitted by your agency. If you are employed part time (i.e. less than 160 hours per month), please reference your member handbook if you have questions as to how part time service credit will be adjusted when you retire.

**NOTE:** If “N/A” appears in any space instead of a dollar amount, it could indicate: (1) you were not vested on June 30, 2000 (less than five years of membership service) and you are not eligible for retirement benefits; (2) you are inactive and no longer making regular contributions; (3) you have passed the selected age or years of service shown in space 3; or (4) your birthdate appears as “00/00/00” and we did not have an age to use for calculating the benefit.



MONTANA PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION

P O BOX 200131

HELENA MT 59620-0131

Defined Benefit Plan Annual Statement

As of June 30, 2000

Public Employees' Retirement System (PERS)

SUZY S SAMPLE

12/02/1951

555-55-5555

While you are employed in a PERS covered job, you must make contributions to the PERS. When you retire from that employment, you will be eligible for a monthly benefit or refund.

This statement is for informational purposes only. Retirement calculations are made using the records on file with the Retirement Board and not on the basis of this statement. Should any information in this statement conflict with statute or rules, statute or rules will apply. Values shown below are approximate.

Comparing Your Contributions to the Value of Your Benefit	Amount of Your Contributions	Lifetime Benefit Value of Your Retirement	Initial Monthly Benefit
Your Required Contributions through June 30, 2000	\$ 35,632	\$ 403,538	\$ 1,380
Total Cost of Service Purchase Contracts Upon Completion	\$ 9,029	(if you terminated on or before the statement date and your benefit started at age 60)	(if you terminated on or before the statement date and your benefit started at age 60)
If you continue contributing until:			
Age 50	\$ 49,804	\$ 670,544	\$ 1,530
Age 55	\$ 63,352	\$ 741,681	\$ 2,052
Age 60	\$ 77,947	\$ 739,242	\$ 2,529

Instead of a lifetime benefit, you may receive a refund of your contributions plus interest.

The amount as of June 30, 2000 was: \$ 80,685.88

Service Credit:

Service Credit for Employment 24.77 years as of statement date

Service Credit Purchased/Transferred 0.85 years as of statement date

Service Credit Purchases in Progress 0.00 years when completed

Total Years of Service Credit 25.62 years as described

One for Five Service Purchased/in Progress 2.00 years as of statement date

Primary Beneficiaries: SAMMY A SAMPLE

Contingent Beneficiaries: SUZETTE SAMPLE; SAMSON SAMPLE